



General Assembly

February Session, 2008

***Raised Bill No. 5912***

LCO No. 3032

\*03032\_\_\_\_\_HS\_\*

Referred to Committee on Human Services

Introduced by:  
(HS)

***AN ACT CONCERNING THE REPEAL OF THE EMERGENCY  
ASSISTANCE PROGRAM ELIMINATED BY THE PERSONAL  
RESPONSIBILITY AND WORK OPPORTUNITY RECONCILIATION  
ACT.***

Be it enacted by the Senate and House of Representatives in General  
Assembly convened:

1 Section 1. Section 19a-659 of the 2008 supplement to the general  
2 statutes is repealed and the following is substituted in lieu thereof  
3 (*Effective from passage*):

4 As used in [sections 19a-659] this section, sections 19a-662, 19a-669  
5 to 19a-670a, inclusive, of the 2008 supplement to the general statutes,  
6 19a-671 of the 2008 supplement to the general statutes, 19a-671a, 19a-  
7 672 of the 2008 supplement to the general statutes and 19a-676:

8 (1) "Office" means the Office of Health Care Access;

9 (2) "Hospital" means any hospital licensed as a short-term acute care  
10 general or children's hospital by the Department of Public Health,  
11 including John Dempsey Hospital of The University of Connecticut  
12 Health Center;

13       (3) "Fiscal year" means the hospital fiscal year consisting of a twelve-  
14 month period commencing on October first and ending the following  
15 September thirtieth;

16       (4) "Base year" means the fiscal year consisting of a twelve-month  
17 period immediately prior to the start of the fiscal year for which a  
18 budget is being determined or prepared;

19       (5) "Affiliate" means a person, entity or organization controlling,  
20 controlled by, or under common control with another person, entity or  
21 organization;

22       (6) "Uncompensated care" means the total amount of charity care  
23 and bad debts determined by using the hospital's published charges  
24 and consistent with the hospital's policies regarding charity care and  
25 bad debts which have been approved by, and are on file at, the office;

26       (7) "Medical assistance" means (A) the programs for medical  
27 assistance provided under the state-administered general assistance  
28 program or the Medicaid program, including the HUSKY Plan, Part A,  
29 or (B) any other state-funded medical assistance program, including  
30 the HUSKY Plan, Part B;

31       (8) "CHAMPUS" or "TriCare" means the federal Civilian Health and  
32 Medical Program of the Uniformed Services, as defined in 10 USC  
33 Section 1072(4), as from time to time amended;

34       (9) "Primary payer" means the payer responsible for the highest  
35 percentage of the charges for a patient's inpatient or outpatient  
36 hospital services;

37       (10) "Case mix index" means the arithmetic mean of the Medicare  
38 diagnosis related group case weights assigned to each inpatient  
39 discharge for a specific hospital during a given fiscal year. The case  
40 mix index shall be calculated by dividing the hospital's total case mix  
41 adjusted discharges by the hospital's actual number of discharges for  
42 the fiscal year. The total case mix adjusted discharges shall be

43 calculated by (A) multiplying the number of discharges in each  
44 diagnosis-related group by the Medicare weights in effect for that  
45 same diagnosis-related group and fiscal year, and (B) then totaling the  
46 resulting products for all diagnosis-related groups;

47 (11) "Contractual allowances" means the difference between hospital  
48 published charges and payments generated by negotiated agreements  
49 for a different or discounted rate or method of payment;

50 (12) "Medical assistance underpayment" means the amount  
51 calculated by dividing the total net revenue by the total gross revenue,  
52 and then multiplying the quotient by the total medical assistance  
53 charges, and then subtracting medical assistance payments from the  
54 product;

55 (13) "Other allowances" means the amount of any difference  
56 between charges for employee self-insurance and related expenses  
57 determined using the hospital's overall relationship of costs to charges;

58 (14) "Gross revenue" means the total gross patient charges for all  
59 patient services provided by a hospital;

60 (15) "Net revenue" means total gross revenue less contractual  
61 allowance, less the difference between government charges and  
62 government payments, less uncompensated care and other allowances,  
63 plus uncompensated care program disproportionate share hospital  
64 payments from the Department of Social Services;

65 (16) "Emergency assistance to families" means assistance to families  
66 with children under the age of twenty-one who do not have the  
67 resources to independently provide the assistance needed to avoid the  
68 destitution of the child, [and which is authorized by the Department of  
69 Social Services pursuant to section 17b-107 and is not otherwise  
70 funded.]

71 Sec. 2. Section 19a-669 of the 2008 supplement to the general statutes  
72 is repealed and the following is substituted in lieu thereof (*Effective*

73 *from passage):*

74 Effective October 1, 1993, and October first of each subsequent year,  
 75 the Secretary of the Office of Policy and Management shall determine  
 76 and inform the Office of Health Care Access of the maximum amount  
 77 of disproportionate share payments and emergency assistance to  
 78 families eligible for federal matching payments under the [Medical  
 79 Assistance Program or the Emergency Assistance to Families Program]  
 80 medical assistance program pursuant to federal statute and regulations  
 81 and subdivisions (2) and (28) of subsection (a) of section 12-407 of the  
 82 2008 supplement to the general statutes, subdivision (1) of section 12-  
 83 408, subdivision (5) of section 12-412 of the 2008 supplement to the  
 84 general statutes, section 12-414, section 19a-649 of the 2008 supplement  
 85 to the general statutes and this section and the actual and anticipated  
 86 appropriation to the medical assistance disproportionate share-  
 87 emergency assistance account authorized pursuant to sections 3-114i  
 88 and 12-263a to 12-263e, inclusive, subdivisions (2) and (29) of  
 89 subsection (a) of section 12-407 of the 2008 supplement to the general  
 90 statutes, subdivision (1) of section 12-408, section 12-408a, subdivision  
 91 (5) of section 12-412 of the 2008 supplement to the general statutes,  
 92 subdivision (1) of section 12-414 and sections 19a-646 of the 2008  
 93 supplement to the general statutes, 19a-659 of the 2008 supplement to  
 94 the general statutes, as amended by this act, 19a-662, 19a-669 to 19a-  
 95 670a, inclusive, of the 2008 supplement to the general statutes, 19a-671  
 96 of the 2008 supplement to the general statutes, 19a-671a, 19a-672 of the  
 97 2008 supplement to the general statutes, 19a-672a, 19a-673 and 19a-676,  
 98 and the amount of emergency assistance to families' payments to  
 99 eligible hospitals projected for the year, and the anticipated amount of  
 100 any increase in payments made pursuant to any resolution of any civil  
 101 action pending on April 1, 1994, in the United States district court for  
 102 the district of Connecticut. The Department of Social Services shall  
 103 inform the office of any amount of uncompensated care which the  
 104 Department of Social Services determines is due to a failure on the part  
 105 of the hospital to register patients for emergency assistance to families,  
 106 or a failure to bill properly for emergency assistance to families'

107 patients. If during the course of a fiscal year the Secretary of the Office  
108 of Policy and Management determines that these amounts should be  
109 revised, said secretary shall so notify the office and the office may  
110 modify its calculation pursuant to section 19a-671 of the 2008  
111 supplement to the general statutes to reflect such revision and its  
112 orders as it deems appropriate and the Commissioner of Social  
113 Services may modify said commissioner's determination pursuant to  
114 section 19a-671 of the 2008 supplement to the general statutes.

115 Sec. 3. Section 19a-670 of the 2008 supplement to the general statutes  
116 is repealed and the following is substituted in lieu thereof (*Effective*  
117 *from passage*):

118 (a) Within available appropriations, the Department of Social  
119 Services may make semimonthly payments to short-term general  
120 hospitals in an amount calculated pursuant to section 19a-671 of the  
121 2008 supplement to the general statutes, provided the total amount of  
122 payments made to individual hospitals and to hospitals in the  
123 aggregate shall maximize the amount qualifying for federal matching  
124 payments under the medical assistance program [and the emergency  
125 assistance to families program] as determined by the Department of  
126 Social Services in consultation with the Office of Policy and  
127 Management. No payments shall be made to any hospital exempt from  
128 taxation under chapter 211a. The payments shall be medical assistance  
129 disproportionate share payments, including grants provided pursuant  
130 to section 19a-168k, to the extent allowable under federal law. [In  
131 addition, payments may be made for authorized emergency assistance  
132 to needy families with dependent children in accordance with Title  
133 IV-A of the Social Security Act to the extent allowable under federal  
134 law.] The payments shall not be part of the routine medical assistance  
135 inpatient hospital rate determined pursuant to section 17b-239 of the  
136 2008 supplement to the general statutes. Payments shall be made on an  
137 interim basis during each year and a final settlement shall be  
138 calculated pursuant to section 19a-671 of the 2008 supplement to the  
139 general statutes by the office for each hospital after the year end based

140 on audited data for the hospitals. The Commissioner of Social Services  
141 may withhold payment to a hospital which is in arrears in remitting its  
142 obligations to the state.

143 (b) (1) For the hospital fiscal year 1994, and subsequent fiscal years,  
144 the commission or its designated representative shall conduct a cash  
145 audit of the projected amount of uncompensated care, including  
146 emergency assistance to families and underpayments against the  
147 actual receipts of the hospital. In addition, the office or its designated  
148 intermediary shall conduct an audit of the revenues, deductions from  
149 revenue, discharges, days or other measures of patient volume for  
150 hospitals for the purposes of termination and final settlement of  
151 uncompensated care pool assessments and payments for the period  
152 ending March 31, 1994.

153 (2) For the six-month period ending September 30, 1994, and for  
154 each subsequent fiscal year, the office or its designated intermediary  
155 shall conduct an audit of the revenues, deductions from revenue,  
156 discharges, days or other measures of patient volume for hospitals for  
157 the purposes of determining disproportionate share payments.  
158 Included in this audit shall be a comparison of projected and actual  
159 levels of medical assistance underpayment and uncompensated care.

160 (3) The total payments from the Department of Social Services  
161 medical assistance disproportionate share-emergency assistance  
162 account established pursuant to section 38 of public act 94-9\* and made  
163 in accordance with sections 19a-670 to 19a-672, inclusive, of the 2008  
164 supplement to the general statutes, during the fiscal year less any  
165 payments for emergency assistance to families, and less any payments  
166 resulting from the resolution of or court order entered in any civil  
167 action pending on April 1, 1994, in the United States District Court for  
168 the district of Connecticut, shall be reallocated to hospitals based on  
169 actual audited levels of medical assistance underpayment, grants  
170 pursuant to section 19a-168k and uncompensated care to determine the  
171 final payment for the fiscal year.

172 (4) If the final payment for a hospital for the hospital fiscal year, as  
173 determined as a result of this audit, is less than the total payments the  
174 hospital received during the same fiscal year excluding any prior year  
175 audit adjustment, then the current hospital fiscal year remaining  
176 semimonthly payments shall each be reduced by an amount equal to  
177 the total excess payment divided by the number of remaining  
178 semimonthly payments for the current hospital fiscal year.

179 (5) If the final payment for a hospital for the hospital fiscal year, as  
180 determined as a result of this audit, is greater than the total payments  
181 the hospital received during the same fiscal year, then the current  
182 hospital fiscal year remaining semimonthly payments shall each be  
183 increased by an amount equal to the total excess payment divided by  
184 the number of remaining semimonthly payments for the current  
185 hospital fiscal year.

186 (6) The office shall, by June 1, 1995, and June first of each  
187 subsequent year, report the results of such audit for the previous  
188 hospital fiscal year to the joint standing committee of the General  
189 Assembly having cognizance of matters relating to public health. The  
190 report shall include information concerning the financial stability of  
191 hospitals in a competitive market.

192 (7) Notwithstanding the provisions of subdivisions (3) to (5),  
193 inclusive, of this subsection, no adjustment of disproportionate share  
194 payments to hospitals for purposes of final settlement shall be  
195 implemented for the hospital fiscal years commencing October 1, 1997,  
196 and October 1, 1998, provided every hospital subject to final settlement  
197 for said fiscal years submits documentation in writing of its agreement  
198 to forego such final settlement to the Commissioner of Social Services  
199 in a form acceptable to the commissioner.

200 (8) Notwithstanding the provisions of subdivisions (3) to (5),  
201 inclusive, of this subsection, for the hospital fiscal year commencing  
202 October 1, 1999, and for each subsequent fiscal year, no adjustment of  
203 disproportionate share payments to hospitals for purposes of final

204 settlement shall be determined or implemented.

205 (9) For the quarter ending September 30, 2001, no negative  
206 adjustment to the disproportionate share payments to hospitals for  
207 purposes of implementing the final one-quarter of the  
208 disproportionate share final settlement for the hospital fiscal year  
209 commencing October 1, 1998, shall be made. Any hospitals with a  
210 positive adjustment to the disproportionate share payments for  
211 purposes of implementing the remaining one-quarter of the hospital  
212 fiscal year 1999 disproportionate share final settlement shall receive  
213 payment of the adjustment through funds appropriated for said  
214 purpose.

215 (10) The Department of Social Services may, within available  
216 appropriations and with the approval of the Office of Health Care  
217 Access and the Office of Policy and Management, make payment of  
218 any final settlement amount determined to represent any and all  
219 claims arising out of any incorrect payments to Yale-New Haven  
220 Hospital for the fiscal quarter ending September 30, 1998, or the  
221 hospital fiscal year ending September 30, 1999, or both. If such  
222 incorrect payment, whether an overpayment or an underpayment, has  
223 occurred as a result of the hospital's reporting incorrect information  
224 and statistics to the Office of Health Care Access, the Office of Health  
225 Care Access shall recompute the amount of any payments for the  
226 indicated time periods, offsetting any underpaid amount by the  
227 amount of any overpayment of funds for the indicated time period.  
228 Yale-New Haven Hospital shall submit all information and  
229 documentation determined necessary by the Office of Health Care  
230 Access to make a final determination of the amounts due. Prior to the  
231 release of any funds under this section, the hospital shall submit a  
232 written release in a form satisfactory to the Secretary of the Office of  
233 Policy and Management. The written release shall provide for  
234 settlement of any and all claims which have been or could have been  
235 brought challenging the amount of payment for the indicated periods.  
236 Nothing in this section shall be construed to relieve the hospital from



237 any settlement or adjustments for any periods other than those  
238 identified in this section.

239 (c) The Commissioner of Social Services is authorized to determine  
240 exceptions, exemptions and adjustments in accordance with 42 CFR  
241 413.40.

242 (d) Nothing in section 3-114i, subdivision (2) or (29) of subsection (a)  
243 of section 12-407 of the 2008 supplement to the general statutes,  
244 subdivision (1) of section 12-408, section 12-408a, subdivision (5) of  
245 section 12-412 of the 2008 supplement to the general statutes,  
246 subdivision (1) of section 12-414, or sections 12-263a to 12-263e,  
247 inclusive, section 19a-646 of the 2008 supplement to the general  
248 statutes, 19a-659 of the 2008 supplement to the general statutes, as  
249 amended by this act, 19a-662 or 19a-669 to 19a-670a, inclusive, of the  
250 2008 supplement to the general statutes, 19a-671 of the 2008  
251 supplement to the general statutes, 19a-671a, 19a-672 of the 2008  
252 supplement to the general statutes, 19a-672a, 19a-673 and section 19a-  
253 676, or section 1, 2, or 38 of public act 94-9\* shall be construed to  
254 require the Department of Social Services to pay out more funds than  
255 are appropriated pursuant to said sections.

256 Sec. 4. (*Effective from passage*) Section 17b-107 of the general statutes  
257 is repealed.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	19a-659
Sec. 2	<i>from passage</i>	19a-669
Sec. 3	<i>from passage</i>	19a-670
Sec. 4	<i>from passage</i>	Repealer section

**Statement of Purpose:**

To repeal the federal emergency assistance program that was repealed by The Personal Responsibility and Work Opportunity Reconciliation Act of 1996, and to make conforming changes throughout the statutes.

*[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]*